

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS (HOUSTON)

IN RE: . Case No. 22-90273  
. Chapter 11  
COMPUTE NORTH HOLDINGS, INC., .  
. 515 Rusk Street  
. Houston, TX 77002  
Debtor. .  
. Tuesday, November 1, 2022  
. 8:00 a.m.  
. . . . .

TRANSCRIPT OF STIPULATION BY COMPUTE NORTH HOLDINGS, INC.  
AND STIPULATION AND AGREED ORDER BY AND AMONG  
COMPUTE NORTH LLC, COMPUTE NORTH NE05 LLC, NC WOLF HOLLOW LLC,  
AND GENERATE LENDING, LLC CONCERNING CERTAIN PROJECT  
MANAGEMENT AGREEMENTS [246]  
BEFORE THE HONORABLE MARVIN ISGUR  
UNITED STATES BANKRUPTCY COURT JUDGE

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1 (Proceedings commence at 8:00 a.m.)

2 THE COURT: All right, good morning. This is the  
3 continued hearing in the Compute North case, 22-90273.  
4 Appearances have been made electronically.

5 Mr. Micheli, tell me where we are. I did have a  
6 chance to review the proposed order that you filed.

7 MR. MICHELI: Yes. Thank you, Your Honor. For the  
8 record, Matt Micheli of Paul Hastings on behalf of Compute  
9 North Holdings and its affiliated debtors.

10 At Your Honor's direction, yesterday evening, we met  
11 with the objecting parties that we heard from in court  
12 yesterday. The parties spent time on a call together, working  
13 through language. We've circulated a revised draft of that  
14 language to the parties, and I believe everyone has signed off  
15 on that. It's a fully consensual order, from our perspective.  
16 We filed the amended order at Docket Number 351 late last night  
17 or early this morning with a clean version of the order, as  
18 well as an interim redline to the version that was filed  
19 yesterday at Docket Number 350, and a cumulative version to the  
20 order that was filed at the end of last week at Docket Number  
21 332.

22 With that, Your Honor, we believe that that resolves  
23 the issues that were raised at the hearing yesterday. Happy to  
24 walk you through those changes to the order and answer any  
25 questions the Court may have.



1 THE COURT: Thank you.

2 Mr. Grogan, did you want to make an appearance?

3 You'd pressed "five star".

4 MR. GROGAN: Oh, thank you, Your Honor. James  
5 Grogan, for the record. Mr. Micheli ably handled our opening,  
6 so I don't need to say anything further.

7 THE COURT: Thank you.

8 I've had a chance to review the order. The Court is  
9 not going to raise any objections to the order. Does any party  
10 have any objections to the order that is found at 358? If so,  
11 please press "five star" on your line, and we'll listen to any  
12 objections. And if there are no objections, I'm going to go  
13 ahead and sign that order. I need an attachment to it, I  
14 think, but the order is, I believe, ready to sign if there  
15 aren't any more objections. So if you have any objections,  
16 please press "five star." Otherwise, I will find that the  
17 order satisfies all of the objections that have been filed in  
18 writing and all that were made orally at the hearing.

19 All right. That is my finding, is that the debtor  
20 has demonstrated through the evidence of the case that we  
21 should approve the proposed sale, that the debtor has overcome  
22 all objections, either directly or by amending the order in  
23 order to resolve them. In large part, what's going to happen  
24 is if there are some contracts that are proposed to be assumed  
25 and assigned, we'll take a fresh start on those assumptions and



1 assignments and see where we go once they get notified out and  
2 people have a chance to object to them. That's largely what  
3 the changes in the order do, and I think those were all  
4 appropriate.

5           So, Mr. Micheli, I've got the order, and it says to  
6 it, Exhibit A is the purchase and sale agreement. Do you want  
7 me to figure out which purchase and sale agreement? Tell me  
8 how you want to handle this because if I've already got it, I  
9 can combine the files here and we'll get this order out right  
10 now. But if I need to get you to upload something else, we can  
11 do it that way.

12           MR. MICHELI: No, I have the version of the purchase  
13 and sale agreement, Your Honor, if it's easiest to do that,  
14 which the -- giving the docket number here -- it should be --  
15 it should appear at Docket 347, and the clean version of that  
16 is 347 at the Exhibit A, which starts on Page 5 of 116.

17           THE COURT: Okay. Hold on a minute. I'm -- I need  
18 to get in a workable order so they workable fashion. I'll just  
19 do all this on the screen so that parties can be sure I do it  
20 right, and you'll see me fooling around with the PDF files.

21           MR. MICHELI: Thank you, Your Honor.

22           THE COURT: And you beat your deadline by three hours  
23 and 45 minutes, Mr. Micheli, so --

24           MR. MICHELI: Well, Your Honor, thanks to all the  
25 parties who worked with us to get this done on short time.



1 THE COURT: I want to be sure what I'm looking at  
2 here. If I delete starting with this page, I will then have a  
3 full copy of the purchase and sale agreement. Is that -- am I  
4 reading that right?

5 MR. MICHELI: That's correct, Your Honor.

6 THE COURT: Okay. So this is the order to which  
7 there are no objections, and I think there are no blanks.

8 So I have a signed order, and immediately following  
9 that is the purchase and sale agreement. I believe that is the  
10 complete document that I need to sign. I just want to be sure  
11 that everyone is in agreement with that. Does any party  
12 believe that I'm about to sign anything that is objectionable?

13 All right. I will send that to docketing. I  
14 appreciate all the hard work. Unless somebody has something  
15 else, we're going to recess till our nine o'clock docket.  
16 Thank you everyone.

17 MR. MICHELI: Thank you, Your Honor.

18 THE COURT: Thank you all. Bye-bye.

19 UNIDENTIFIED: Thank you.

20 (Proceedings concluded at 8:09 a.m.)

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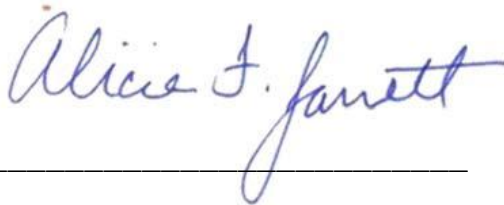
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C E R T I F I C A T I O N

I, Alicia Jarrett, court-approved transcriber, hereby  
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ALICIA JARRETT, AAERT NO. 428

DATE: November 14, 2022

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